

FISCAL NOTE

SB 3815 – HB 3353

January 31, 2008

SUMMARY OF BILL: Requires students who have completed four years in a federally-funded Upward Bound program for high school students who are from low-income families to be eligible for Tennessee HOPE scholarships if they meet specified requirements; allows such students to retain the scholarship with a 2.25 cumulative grade point average.

ESTIMATED FISCAL IMPACT:

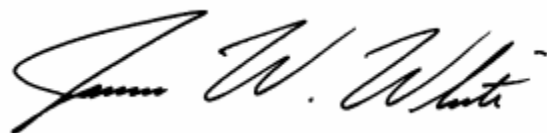
Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$1,456,000 in FY08-09 and by \$2,400,000 in FY09-10.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) estimates 364 students meeting the specified criteria for the first year (FY08-09).
- The increase of expenditures from lottery proceeds is estimated to be \$1,456,000 (364 students x \$4,000 = \$1,456,000) in FY08-09.
- TSAC estimates approximately 65% of first year students (or 236 students) will retain the HOPE scholarship at the proposed 2.25 cumulative grade point average requirement.
- TSAC estimates 364 new students in the second year (FY09-10).
- The total number of students for FY09-10 is estimated to be 600 (236 first year students who retain scholarship + 364 new students = 600).
- The increase of expenditures from lottery proceeds is estimated to be \$1,456,000 (600 students x \$4,000 = \$2,400,000) in FY09-10.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/rnc